

**HERSHEY CHOCOLATE COMPANY**  
AND  
SUBSIDIARY COMPANIES

**CONSOLIDATED BALANCE SHEET**

December 31st, 1922

AND

**INCOME STATEMENT**

For the 12 Months Ending December 31st, 1922



**COMPARATIVE BALANCE SHEET**  
OF  
**HERSHEY CHOCOLATE COMPANY**

December 31st, 1922

**HERSHEY CHOCOLATE COMPANY**  
**AND SUBSIDIARIES**

**CONSOLIDATED BALANCE SHEET—DECEMBER 31, 1922**

<b>ASSETS</b>	
<b>Current Assets:</b>	
Cash	\$ 2,045,112.21
Customers' Accounts Receivable (Net)	1,597,248.53
Merchandise Inventories	3,999,846.19
Prepaid Insurance, Interest and Taxes	106,504.64
Sugar Crop 1923 Advances and Other Prepayments	1,101,748.19
	<u>\$ 8,850,459.76</u>
<b>Fixed Assets:</b>	
Land and Buildings	\$12,415,697.67
Machinery and Equipment	9,499,050.57
Public Service Construction	10,370,700.64
Public Service Equipment	1,894,181.10
	<u>\$34,179,629.98</u>
Less Depreciation Reserve	7,499,108.13
Net Investment in Plant	\$26,680,521.85
Good Will, Trade Marks, etc.:	
(Of which \$4,491,098.12 represents amount paid for stock of subsidiaries in excess of par value) . . .	4,903,930.20
Deferred Charges, Unamortized Bond Discount, etc	1,389,363.82
<b>TOTAL ASSETS</b>	<u><u>\$41,824,275.63</u></u>

<b>LIABILITIES</b>	
<b>Current Liabilities:</b>	
Notes Payable	\$ 1,350,000.00
Accounts Payable	872,265.47
Federal Taxes	289,575.42
Accrued Wages, Interest, Other Taxes, etc	375,239.27
	<u>\$ 2,887,080.16</u>
First Mortgage Sinking Fund 6% Gold Bonds	15,000,000.00
Cuban Censos	101,909.75
Minority Capital Stock	5,000.00
Preferred Capital Stock	1,674,200.00
Common Capital Stock	15,000,000.00
Surplus	7,156,085.72
<b>TOTAL LIABILITIES</b>	<u><u>\$41,824,275.63</u></u>

**HERSHEY CHOCOLATE COMPANY**  
**AND SUBSIDIARIES**  
**CONSOLIDATED STATEMENT OF INCOME AND PROFIT AND LOSS**  
**FOR THE TWELVE MONTHS ENDING DECEMBER 31, 1922**

Sales	\$28,443,805.06
Cost of Goods Sold	19,159,782.32
<b>Gross Profit</b>	<b>9,284,022.74</b>
Shipping and Selling Expenses	1,456,601.50
General and Administrative Expenses	2,007,437.18
<b>Total Expenses</b>	<b>3,464,101.68</b>
<b>Net Profit</b>	<b>5,819,921.06</b>
Cash Discounts Taken	105,272.88
Interest on Notes Receivable, etc	12,055.45
Other Income	60,617.52
<b>Gross Income</b>	<b>5,997,866.91</b>
<b>Deductions from Income:</b>	
Interest on Funded Debt	730,404.84
Interest on Notes and Bank Loans	708,655.36
Cash Discounts Allowed	407,734.62
Federal Taxes	325,908.80
Other Deductions	196,212.63
<b>Total Deductions from Income</b>	<b>2,368,916.25</b>
<b>Net Income</b>	<b>3,628,950.66</b>
Dividends Paid	131,421.80
<b>Balance</b>	<b>3,497,528.86</b>
Add:	
Profit and Loss Credits	46,477.91
<b>Total</b>	<b>3,544,006.77</b>
Deduct:	
Profit and Loss Debits	237,486.13
<b>Surplus for the Period</b>	<b>3,306,520.64</b>
<b>Surplus Beginning of Period</b>	<b>19,393,960.08</b>
Deduct:	
Transfer from Surplus to Common Capital Stock	14,500,000.00
Unamortized Discount and Redemption Premium on issue of 7½ % Bonds Retired December 1, 1922	1,044,395.00
<b>Balance</b>	<b>3,849,565.08</b>
<b>Surplus End of Period</b>	<b>\$ 7,156,085.72</b>

# HERSHEY CHOCOLATE COMPANY

## COMPARATIVE BALANCE SHEET—DECEMBER 31, 1922

ASSETS			
	December 31, 1922	December 31, 1921	Increase Decrease
<b>Fixed Assets:</b>			
Real Estate—Land and Buildings	\$ 7,504,431.18	\$ 7,433,507.02	\$ 70,924.16
Machinery, Equipment and Fixtures	4,946,040.59	4,950,936.96	1,896.47
<b>Total Fixed Assets</b>	<b>\$12,450,471.77</b>	<b>\$12,384,443.98</b>	<b>\$ 66,027.79</b>
<b>Investments, Securities and Intercompany Accounts</b>	<b>\$35,252,815.56</b>	<b>\$28,311,204.13</b>	<b>\$ 6,941,611.43</b>
<b>Current Assets:</b>			
Cash	\$ 1,790,361.50	\$ 1,781,321.44	\$ 9,040.06
Accounts Receivable (Net)	1,315,363.87	872,481.63	442,882.24
Merchandise Inventories	2,714,851.42	3,065,499.22	350,647.80
Prepayments a/c Purchases	4,490.75	5,767.75	1,277.00
<b>Total Current Assets</b>	<b>\$ 5,825,067.54</b>	<b>\$ 5,725,070.04</b>	<b>\$ 99,997.50</b>
Deferred Charges	\$ 1,023,402.39	\$ 49,226.43	\$ 974,175.96
Good Will, Trade Marks, etc	\$ 318,454.30	\$ 318,454.30	
<b>TOTAL ASSETS</b>	<b>\$54,870,211.56</b>	<b>\$46,788,398.88</b>	<b>\$ 8,081,812.68</b>
LIABILITIES			
<b>Capital Stock:</b>			
Preferred	\$ 1,674,200.00	\$ 1,635,700.00	\$ 38,500.00
Common	15,000,000.00	500,000.00	14,500,000.00
<b>Total Capital Stock</b>	<b>\$16,674,200.00</b>	<b>\$ 2,135,700.00</b>	<b>\$14,538,500.00</b>
<b>First Mortgage Sinking Fund 6% Gold Bonds</b>	<b>\$15,000,000.00</b>	<b>\$10,315,714.28</b>	<b>\$ 4,684,285.72</b>
<b>Current Liabilities:</b>			
Loans and Notes Payable	\$ 1,350,000.00	\$ 2,437,092.19	\$ 1,087,092.19
Accounts Payable	642,572.01	383,518.32	259,053.69
Accrued Taxes	146,233.72	43,552.98	102,680.74
Accrued Income and Excess Profits Taxes	289,575.42	109,932.80	179,642.62
Accrued Wages, Interest, etc.	150,000.00	51,776.79	98,223.21
<b>Total Current Liabilities</b>	<b>\$ 2,578,381.15</b>	<b>\$ 3,025,873.08</b>	<b>\$ 447,491.93</b>
<b>Intercompany Accounts—Credits</b>	<b>\$ 3,999,207.37</b>	<b>\$ 3,125,611.53</b>	<b>\$ 873,595.84</b>
<b>Reserve for Depreciation</b>	<b>\$ 3,832,524.21</b>	<b>\$ 3,369,531.51</b>	<b>\$ 462,992.70</b>
<b>Surplus:</b>			
Balance Beginning of Period	\$24,815,968.48	\$21,097,037.71	\$ 3,718,930.77
Profit for Year	4,127,724.12	\$ 3,849,780.60	277,943.52
<b>Gross Total</b>	<b>\$28,943,692.60</b>	<b>\$24,946,818.31</b>	<b>\$ 3,996,874.29</b>
Dividends Paid	131,421.80	130,849.83	571.97
<b>Balance</b>	<b>\$28,812,270.80</b>	<b>\$24,815,968.48</b>	<b>\$ 3,996,302.32</b>
<b>Deduct:</b>			
Transfer to Common Capital Stock	\$14,500,000.00		
Hershey Chocolate Corporation's Bond Discount, Redemption Premium, Interest, etc	1,447,140.23		
Under Accrued Pennsylvania State Taxes	79,231.74		
<b>Surplus Balance December 31, 1922</b>	<b>\$12,785,898.83</b>	<b>\$24,815,968.48</b>	<b>\$12,030,069.65</b>
<b>TOTAL LIABILITIES</b>	<b>\$54,870,211.56</b>	<b>\$46,788,398.88</b>	<b>\$ 8,081,812.68</b>